

NEBRASKA ADMINISTRATIVE CODE

TITLE 248, NEBRASKA ADMINISTRATIVE CODE, CHAPTER 4

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

**RULES AND REGULATIONS GOVERNING BONDED TITLES
FOR MOTOR VEHICLES, NEB. REV. STAT. § 60-411.01167.**

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Nebraska Department of Motor Vehicles

248 NAC 4

**RULES AND REGULATIONS GOVERNING BONDED TITLES FOR VEHICLES, NEB. REV.
STAT. § 60-167.**

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RULES AND REGULATIONS GOVERNING BONDED TITLES FOR VEHICLES, NEB. REV. STAT. § 60-167.

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NEBRASKA ADMINISTRATIVE CODE
Nebraska Department of Motor Vehicles

Chapter 4
248 NAC 4

LAST EFFECTIVE DATE: January 28, 1997.

RULES AND REGULATIONS GOVERNING BONDED TITLES FOR MOTOR VEHICLES,
NEB. REV. STAT. § 60-141.04167.

001 Scope~~SCOPE.~~ These rules and regulations govern the Department of Motor Vehicles' procedures for the administration of bonded certificates of title pursuant to Neb. Rev. Stat. §§ 60-141.04149(1)(d), 60-162(3), 60-167, and 60-197(3).

002 FORMS. All named forms referred to in these rules and regulations may be found on the Department of Motor Vehicles' web page. Forms may be downloaded, completed and returned to the Department. The forms may also be obtained by calling the phone number listed for the Driver and Vehicle Records Division on the website.

0023 Definitions~~DEFINITIONS.~~

0023.01 Currently Vvalid Certificate of Title means the original title immediately prior to the bonded title, showing ownership in the bonded title owner's name.

0023.02 Department means the Nebraska Department of Motor Vehicles.

003.03 Vehicle means a motor vehicle, all-terrain vehicle, minibike, trailer or semitrailer.

0034 Who May Apply~~WHO MAY APPLY.~~ The Department will consider applications for a bonded certificate of title in the following situations:

0034.01 No Certificate of Title. When a certificate of title has not previously been issued for a vehicle in this or any other state; or

0034.02 No Documentation. When the applicant(s) is unable to provide the documentation required by Neb. Rev. Stat. § 60-405(1)149 for a vehicle previously titled in this or any other state; or

0034.03 Foreign Bonded Certificate of Title. When the vehicle currently has a bonded certificate of title issued by another state.

0045 Application~~APPLICATION.~~ Applicant(s) shall complete Attachment 1, either an APPLICATION FOR BONDED CERTIFICATE OF TITLE FOR A VEHICLE or APPLICATION FOR A BONDED CERTIFICATE OF TITLE FOR A MOTORBOAT, and submit the completed form to the Department. The Application must be accompanied by the following items:

0045.01 Sheriff's Inspection Certificate. A statement that an identification inspection has been conducted pursuant to ~~subsection (8) of section 60-106~~Neb. Rev. Stat. § 60-146(3).

0045.02 Fee. A fee of fifty dollars (\$50.00) pursuant to Neb. Rev. Stat. § 60-160.

0045.03 Photograph. A photograph, taken at an angle to show the front and one side of the vehicle.

0045.04 Bond. A bond in a form prescribed by the Department (~~Attachment 3~~) and executed by the applicant(s). The APPLICATION FOR BONDED CERTIFICATE OF TITLE FOR A VEHICLE or APPLICATION FOR A BONDED CERTIFICATE OF TITLE FOR A MOTORBOAT must be made within 30 days of the receipt of the bond.

0045.05 Proof of Notification of Owner of Record. If there is an owner of record for the vehicle, the applicant(s) shall send a certified or registered letter, return receipt requested, to the owner of record at the last known address. The letter shall state that the applicant(s) is the present owner of the vehicle and request a duplicate title with an assignment to the applicant(s) on the reverse side. The applicant(s) shall submit a copy of the letter and the returned receipt to the Department.

0045.05A Other Proof. The Director may in his or her discretion accept other proof that the recorded owner has been notified or that it is impossible, inappropriate, or impracticable to notify the recorded owner.

0045.06 Proof of Ownership. The applicant(s) shall provide evidence reasonably sufficient to satisfy the Department of the applicant's or applicants' ownership of the vehicle or security interest in the vehicle. Such evidence shall include:

0045.06A Documents. A copy of any written document received at the time the vehicle was acquired, such as a bill of sale or cancelled check. If the applicant(s) has no written documents, or the documents are not self explanatory, the applicant(s) must explain on the application why he or she is entitled to ownership despite the absence of any documents.

0045.06B Foreign Bonded Title. A bonded certificate of title from another state.

0056 Bonded Titles Issued by Other States**BONDED TITLES ISSUED BY OTHER STATES.** If a vehicle has an out-of-state bonded title, the applicant(s) may either:

0056.01 Foreign Bond. Provide evidence that a bond is currently in force in the former state. Such evidence shall include a copy of the bond and evidence from the bonding company that the bond has not been released.

0056.02 Nebraska Bond. If the applicant(s) cannot, or does not, provide such proof, he or she may execute a three-year bond in the form (~~Attachment 3~~) prescribed by the Department according to these rules and regulations.

0067 BondsBONDS.

0067.01 Purpose. The bond shall be conditioned to indemnify any prior owner and secured party, and subsequent purchaser and secured party, and any successor of the purchaser and secured party for any expense, loss, or damage, including reasonable attorney's fees, incurred by reason of the issuance of the certificate of title to the vehicle or any defect in or undisclosed security interest upon the right, title, and interest of the applicant(s) in and to the vehicle.

0067.02 Issuance. The bond shall be issued by a surety company authorized to transact business in this state by the Nebraska Department of Insurance to ~~transact business in this state~~.

0067.03 Value. The bond shall be issued in an amount equal to one and one half times the value of the vehicle as determined by the Department using reasonable appraisal methods.

0067.04 Cause of Action. An interested person may have a cause of action to recover on the bond for a breach of the conditions of the bond. The aggregate liability of the surety to all persons having a claim shall not exceed the amount of the bond.

0067.05 Period. The bond shall be in effect for three years.

0078 Application for Release of BondAPPLICATION FOR RELEASE OF BOND. The holder of the certificate of title may apply to the Department, on the APPLICATION FOR REMOVAL-RELEASE OF NOTICE ON BONDED TITLE (~~Attachment 2~~), for the release of the bond requirement and the removal of the notice that the vehicle may be subject to an undisclosed interest, if either of the following criteria is met.

0078.01 Surrender of Currently Valid Certificate of Title. Prior to the end of the three-year period, the notice may be removed if a currently valid certificate of title is surrendered to the Department for cancellation; or

0078.02 Expiration of Bond. At the expiration of the three-year period of the bond, the notice may be removed unless questions as to the ownership of the vehicle have been raised with the Department. Pendency of an action to recover on the bond will mean the ownership of the vehicle is unresolved.

0089 AppraisalVALUATION FOR BOND. The Department will use the following appraisal methods to determine the value of the vehicle for purposes of calculating the amount of bond. If the methods do not agree on the value of the vehicle, the ~~greatest~~ value will be the appraised highest of the determined values. The bond will be issued for one and one half times the appraised-value.

0089.01 N.A.D.A. Official Used Car Guide; N.A.D.A. Motorcycle/Snowmobile, ATV, Personal Watercraft Appraisal Guide; Kelley Blue Book; Auto Site; Intellichoice or other reputable new or used vehicle pricing guide; and/or

008.02 Property Tax Valuation; and/or

0089.032 Other Methods. The Department may, at its discretion, consider any other method or information.

00910 Bonded Certificate of Title**BONDED CERTIFICATE OF TITLE.**

00910.01 Notice. The Department shall include the following statement on a bonded certificate of title and any subsequent title issued as a result of a title transfer while the bond is in effect: NOTICE: THIS VEHICLE MAY BE SUBJECT TO AN UNDISCLOSED INTEREST, BOND NUMBER The Department will assign a bond number to each bond received. The assigned number will be separate from any number the surety company may assign, and the Department's number will be set in the notice on the title.

00910.02 Recall. The Department shall recall a bonded certificate of title if the Department finds that the application for the title contained a false statement or if a check presented by the applicant(s) for fees pursuant to this section is returned uncollected by a financial institution.

00910.02A Notice. If a bonded certificate of title is recalled, the Department will send a certified letter informing the title holder that the title has been cancelled, the reasons for the cancellation, and requesting that the title be returned to the Department.

00910.02B Cancellation. If a bonded certificate of title is recalled, the Department will cancel the title in its records.

00910.03 SignaturesTitleholder. The first bonded certificate of title will be issued in the name of the applicant(s). When a bonded certificate of title is transferred to a new owner, the bond need not be renewed unless the Department questions its authenticity.

0101 Final Decision**FINAL DECISION.** The Director's decision pursuant to these rules and regulations to issue or not issue a bonded certificate of title, to require a bond on an out-of-state bonded title, or to recall a title, are final decisions and may be appealed under the Administrative Procedures Act Neb. Rev. Stat. § 84-917.

0142 Appeal**APPEAL.** A declaratory order is subject to review in the manner provided for review of contested cases by the Administrative Procedure Act, Neb. Rev. Stat. §§ 84-901 through 84-920. Specific procedures for appeal are set forth in Neb. Rev. Stat. § 84-917.

Attachment 1

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

APPLICATION FOR
BONDED CERTIFICATE OF TITLE**Owner:**

Last Name _____ First _____ Middle Initial _____ Home Phone _____ () _____ () _____ Work Phone _____

Address _____ County _____ City _____ Zip Code _____

Co-Owner:

Last Name _____ First _____ Middle Initial _____ Home Phone _____ () _____ () _____ Work Phone _____

Address _____ County _____ City _____ Zip Code _____

Name(s) and Address(s) of the Person(s) from Whom the Vehicle Was Acquired:

Name/Address: _____

Name/Address: _____

☐ Motor Vehicle ☐ Motorboat

Vehicle/Hull Identification Number _____ Model _____

Make _____ Year _____ Type (i.e., boat, truck, car, trailer) _____

Body Style/Hull Length _____ Hull Material _____ Odometer Reading _____

Motorboat Registration Number _____ Propulsion _____

The following facts entitle me to possession and ownership of the vehicle:

Signature _____ Date _____

Signature _____ Date _____

(Instructions on reverse side.)

7/96

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

INSTRUCTIONS AND INFORMATION

If your county official cannot register or title your vehicle because you do not have the proper title documents, you ~~may~~ be able to file a bond as a condition of obtaining a title.

Bring the following items to your local sheriff's office to obtain a Sheriff's Inspection Certificate (\$10.00 cost):

1. ~~An "Application for Bonded Certificate of Title", completed and signed.~~
2. ~~A surety bond, based on one and one half times the current value of the vehicle as shown by the property tax valuation or the N.A.D.A. Guide. If these sources do not agree or if you are uncertain of the value, please contact the Department of Motor Vehicles.~~
3. ~~If there is a owner of record, a return receipt from a certified letter to the owner of record at the last known address stating that the applicant(s) is the present owner of the vehicle and requesting a duplicate title with an assignment to the applicant(s) on the reverse side.~~
4. ~~A copy of any written document which you received at the time the vehicle was acquired, such as a bill of sale or a cancelled check. An affidavit may also be accepted.~~
5. ~~A photograph, taken at an angle to show the front and one side of the vehicle. The photo will not be returned.~~
6. ~~Submit the Sheriff's Inspection Certificate, a \$60.00 application and title fee, and all of the above documentation to the Nebraska Department of Motor Vehicles, Titles and Registrations, 301 Centennial Mall South, Lincoln, Nebraska 68509.~~

If an ID # plate is required or if you have any questions, please write the Department of Motor Vehicles, or phone (402) 471-3918.

Attachment 2

NEBRASKA DEPARTMENT OF MOTOR VEHICLES



APPLICATION FOR
RELEASE OF NOTICE ON
BONDED TITLE

Applicant(s)

Address _____

Address _____

wish to release the bond and remove the notice that the vehicle/motorboat may be subject to an undisclosed interest, bond number # _____ I/we have supplied the following:

If three years have not expired from the receipt of the bonded certificate of title,

☐ I/we have a Currently Valid Certificate of Title. A "Currently Valid Certificate of Title" is the original title immediately prior to the bonded title, showing ownership in the bonded title owner.

If three years have expired from the receipt of the bonded certificate of title,

☐ No claim has been made on the bond and no claim is pending.

Date _____ Signature _____

Date _____ Signature _____

Return to:

Department of Motor Vehicles
Titles and Registrations Division
301 Centennial Mall South
P.O. Box 94789
Lincoln, NE 68509-4789

Telephone: (402) 471-3918

Attachment 3

NEBRASKA DEPARTMENT OF MOTOR VEHICLES



CERTIFICATE OF TITLE SURETY BOND

PLEASE TYPE

Mail to:
Department of Motor Vehicles
Titles and Registrations Division
301 Centennial Mall South
P.O. Box 94789
Lincoln, NE 68509-4789

For DMV Use Only:

DMV Bond No. _____

KNOW ALL MEN BY THESE PRESENTS, that I/we _____

of Street Address or Route, and P.O. Box _____
City _____ County _____, State _____ Zip Code _____
as Principal (hereinafter called Principal), and _____
of _____

as Surety (hereinafter called Surety), are held and firmly bound unto the Director of the Department of Motor Vehicles of the State of Nebraska in the sum of _____ Dollars (\$ _____), for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has made application to the Department of Motor Vehicles of the State of Nebraska for a certificate of title on that certain vehicle described as follows, to wit: ☐ Motor Vehicle

☐ Motor Boat

Make _____ Year _____ Model _____

Vehicle/Hull Identification Number _____

Body Style/Hull Length _____

Under the provisions of Neb.Rev.Stat. § 60-111.01, the Department requires this bond before a certificate of title will be issued.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

If the aforesaid Principal shall indemnify any prior owner and lienholder and any subsequent purchaser of the vehicle or person acquiring any security interest in it, and their respective successors in interest, against any expense, loss or damage, including reasonable attorney's fees, by reason of the issuance of the certificate of title of the vehicle or on account of any defect in or undisclosed security interest upon the right, title and interest of the applicant in and to the vehicle, then this obligation shall be void; otherwise, it shall remain in full force and effect.

PROVIDED, HOWEVER, that any interested person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the Surety to all persons shall not exceed the amount of the bond.

That said bond shall remain in full force and effect for a period of three (3) years after date of said bond.

IN WITNESS WHEREOF, we hereunto set our names and seals on this _____ day of _____, 19____
Signatures:

Surety: _____ Principal: _____

Name: _____ Name: _____

By: _____

Agent of Surety Company

Name: _____

By: _____

Nebraska Resident Agent

Director, Nebraska Department of Motor Vehicles

Name: _____ Name: _____